

# **BBEDC**

## **3rd Quarter Report 2005**

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## **QUARTERLY HIGHLIGHTS**

### **3<sup>rd</sup> Quarter 2005**

#### **Bristol Bay Regional Seafood Development Association**

- A final timeline was researched and developed to assure that the organization complies with all laws and regulations pertaining to the assessment election. A public meeting will be held in Seattle on November 18 during the Pacific Marine Expo. Additional meetings will be scheduled in the Bristol Bay region.
- Driftnet permit holders will vote in March 2006 on whether they want to assess themselves a 1% tax to fund the RSDA.
- Bristol Bay setnet permit holders are showing an interest in joining the RSDA and holding an assessment election.
- A comprehensive website was created to inform permit holders about the RSDA. The URL is <http://www.bbrsda.com/>
- A mailing was sent to all drift net permit holders. Ads were placed in the (Bristol Bay) Bay Times and notices posted on bulletin boards in most communities. Many recipients called or emailed comments. At the time of this writing most seem opposed (about 60%) to the proposed 1% assessment.

#### **Bristol Bay Wild**

- Three processors participated in the 2005 program which featured a regional quality assurance and marketing program.
- Third party inspectors were in each of the three plants from mid-June to the end of August.
- The program attracted attention from several media outlets: Anchorage Daily News, Bay Times, KDLG, Laine Welch, Alaska Public Radio Network, the Alaska Fishermen's Journal, the Alaska Journal of Commerce and others.
- In 2005 the program certified over 5 million lbs of Bristol Bay salmon (catch weight) harvested by 70 fishermen.
- Printed materials generated in support of the program include a Handling Practices booklet, a four color popular-consumption brochure describing the program and promotional material.

#### **Bristol Bay Fish Company**

- The 2005 program bought, processed and sold 23,000 lbs of product.
- Two projects ran simultaneously. The first one included 20,000 lbs of Bristol Bay Wild certified product, sold through a large national retail chain. The second project was a joint venture with a seafood distributor to create and sell fresh sockeye fillets.
- Excellent real-world lessons were learned which will help start-up businesses in Bristol Bay through the often lethal learning curve and give them a greater chance of success. Details of the program are available to any BBEDC constituent

interested in knowing more about the reality of running a small processing or marketing company.

### **Ice Infrastructure**

- A fall meeting to discuss the Ice Coalition was held with 4 major processors (occurred in early 4<sup>th</sup> quarter). All attendees indicated support for the Coalition and pledged to work toward its creation. However, considerable work remains before the coalition becomes a reality.
- A general contractor was selected and is being contracted with to oversee construction of a new floating ice facility.

### **Employment and Training**

- Fourteen Bristol Bay area residents received their GED through funding provided by BBEDC in 2005.
- One BBEDC resident was promoted to a lead position with U.S. Seafoods.
- One BBEDC resident completed a youth internship with the USF&W and was hired as a part-time seasonal employee.
- One BBEDC resident who interviewed for an internship position was bypassed for the internship but was instead hired as an ADF&G as a seasonal employee.
- BBEDC and the local Marine Advisory Program jointly sponsored a Salmon Roe Workshop attended by eight residents from around the region.
- BBEDC area residents have earned over \$900,000 in wages with BBEDC industry partners thus far in 2005.

### **Harvey Samuelsen Scholarship:**

- Assisted student with the application process and advised students on financial aid.
- Reviewed and scored scholarship applications.
- Awarded 83 scholarships for a total fall disbursement of \$264,895
- Monitored scholarship recipients for academic progress.

### **Fund Manager Replacement**

- Two managers were selected to replace Scudder as the CIF's domestic equities fund manager.

### **Financing Options**

- We are entertaining proposals from financial institutions to ensure that capital will be available for future Seafood Industry investments should the opportunities avail themselves.

### **2006 Budget Preparation**

- The 2006 budget cycle was kicked off with the Board review of the 2006 revenue forecast. We are currently using the 2005 allocation as the baseline.

### **Accounting Staff Change**

- Our Accounting Department Manager accepted a position with another regional

entity. We were fortunate to be able to transfer our Grants Manager to this position with minimal disruption.

### **Blue Ribbon Commission**

- We provided the Blue Ribbon Commission with a four inch stack of financial information and our CFO made the grueling trip into Anchorage to review this information with Kurt Martens.

### **Bristol Bay Permit Brokerage**

- Facilitated the permanent transfer of 1 permit to a regional resident.
- Facilitated the closing of 2 boat sales.
- Completing transactions that were begun during the summer for permit leases.
- Communicated with processors to explore ways to assure that lease agreements find their way into the hands of the processor to assure that they are honored.
- Have 3 set-net permits listed for sale. Prices range from \$15,000 to \$17,500.
- Have 2 boats listed for sale. Prices range from \$18,000 to negotiable.
- Have no drift net permits listed for sale.
- Working with CFEC on a date to travel to Juneau for much needed training.
- Initiated an information email to publicize items for sale and to remind fishers of important dates. I expect to piggy-back this on a regular email to Liaisons and their Supervisors.

### **Grant Activity Reports**

- Prepared and submitted quarterly grant reports as required.
- Monitored availability of potential grants for fisheries programs, Salmon Camp, and other fisheries related programs.
- Received and worked on EDA information packet to allow BBEDC to make “Request for Payments” for costs associated with our EDA grant. Continue to work on a formalized timeline for each budget element of the EDA grant. Will work with new Regional Fisheries Coordinator to complete the project.
- Continue to monitor progress in regards to BBEDC’s DCED Chilling grant that would allow BBEDC to construct another Ice Barge.
- Research continues on what is required by the Division of Environmental Health for permitting the region’s Ice Machines, and ensuring operations for the 2006 season.
- Transitioned to Accounting Department Manager and consolidated duties of Grants Management with the new position.
- Provided support to Regional Fisheries Program in the absence of the Regional Fish Director.

## **Community Development Regional Fisheries Issues (overview)**

During the third quarter most of the summer regional fisheries projects came to a close with preliminary summaries being made available to the Regional Fisheries Committee.

As the winter cycle approaches several other projects are beginning to take shape, including the formation of a regional ice coalition with salmon processors, plans to operate an existing ice barge and construction of a new ice barge. Staff will also provide support to the formative efforts of an independent Bristol Bay Regional Seafood Development Association.

Generally speaking, the 2005 program met its preseason expectations. Bristol Bay Fish Company manager Bob Waldrop spent a good part of his summer in Naknek near the fishing grounds overseeing the Bristol Bay Wild Salmon and Bristol Bay Fish Company operations. Working in tandem with a seafood inspection service, he was able to successfully recruit nearly 70 set and drift fishermen to work with the Bristol Bay Wild program. The end result was over five million pounds of salmon product that went to market carrying the Bristol Bay Wild certificate.

### **Regional Seafood Development Association**

A significant boost to improve seafood quality came when the State accepted the initial charter for granted the approval of a Regional Seafood Development Association in Bristol Bay. Approved in June, the application was the second in the state to be granted since the RSDA program was established by the legislature and regulations enacted in 2004.

The RSDA will enable regional Bristol Bay drift net permit holders to form a self-directing entity governed by Alaska statutes and to assess themselves a tax for the direct purpose of promoting seafood products harvested in the region. Bristol Bay set net fishermen will also be asked at a later date to join the Association. Ballots will be mailed to drift fishermen next spring allowing them to vote on whether they want to tax themselves a 1% assessment on the value of their harvest. The assessment will generate a projected \$1 million or more on behalf of marketing, infrastructure, and product-development of Bristol Bay salmon products.

As part of the continuing effort to educate fishermen about the benefits of participating in an RSDA, a comprehensive website was developed [www.bbrsda.com](http://www.bbrsda.com). A mail out has been sent to all Bristol Bay drift permit holders in Alaska and elsewhere describing the features involved in the upcoming election in March. Ads were also placed in the Bristol Bay Times and notices posted on bulletin boards in local communities.

A public meeting will be held at the upcoming "Seattle Fish Expo" on November 18. Additional meetings will be held in the Bristol Bay region over the next several months.



### **Bristol Bay Wild Salmon (certification program)**

Bristol Bay Wild Salmon was formed in 2004 to provide fishermen and processors with the opportunity to use the Bristol Bay Wild Salmon logo as a certificate of quality. In order to participate in the program, fishermen and processors must attend a short training session conducted by BBEDC to learn about the specific handling processes required. Upon certification, both parties are eligible to work together in a partnership capacity whereupon the fisherman is motivated to produce a better product by getting paid a higher ex-vessel price by the processor. BBEDC does not provide funding beyond the money involved in managing the program and providing of training services.

During the third quarter 2005, under the direct supervision of Bob Waldrop, the Bristol Bay Wild Salmon program worked with three processors to promote the certification of quality program. Third party inspectors were present to examine the product in each of the three plants from mid-June to the end of August. The Bristol Bay Wild Salmon program received accolades and media attention from several outlets including the Anchorage Daily News, Alaska Journal of Commerce, APRN, Laine Welch, Bristol Bay Times and others.

As the 2005 season concluded over five million pounds of Bristol Bay salmon product was certified with 70 fishermen as participants. Printed material was produced to support the program, including: a Handling Practices booklet, a descriptive brochure and promotional material.

### **Bristol Bay Fish Company**

The Bristol Bay Fish Company was formed by BBEDC as a wholly-owned for-profit subsidiary company in 2004 to purchase, sell, and market Bristol Bay salmon for the purpose of educating local residents on the basics of operating a successful salmon operation. As the parent organization, it is the mission of BBEDC to not compete with local communities and residents by owning and operating a full-scale fishing processing facility.

Working with two different companies BBFC bought and sold over 23,000 pounds of product this past summer. The first project involved 20,000 pounds of frozen Bristol Bay Wild certified head and gutted product sold through a large national retail chain. The second project was a joint venture with a seafood distributor to create and sell fresh sockeye fillets. Details of the operations are available to any BBEDC constituent interested in learning more about the steps involved in selling and marketing Bristol Bay salmon.

### **Ice Infrastructure**

A meeting was held this past October with Bristol Bay salmon processors to discuss possible partnership arrangements with BBEDC towards the establishment of an Ice coalition. The meeting was successful in producing working agreements to operate the

existing ice barge in Naknek in 2006 and to pursue a separate ice barge. The results of the meeting will be summarized in the 4<sup>th</sup> quarter report.

#### **4E Halibut**

The total 2005 allowable harvest of 107,700 pounds for area 4E was caught and sold by local longliners. About half the landings came out of Togiak with deliveries to Togiak Fisheries, Inc. Dillingham fishers gained a new market when locally-based Peter Pan committed to buying 4E halibut. Direct marketers continued to do well with a quarter of the Dillingham landings sold by catcher/ sellers operating out of the local harbor. Naknek had a couple of catcher/sellers who reported their success in direct marketing of halibut.

#### **Totes**

Totes are plastic insulated weather proof containers used for transporting salmon and halibut products or ice for those products. Knowing the value of totes and their relationship to generating a higher quality product, BBEDC initiated a pilot program to provide totes free of charge to fishermen in 2005. With a limited budget at hand and the use of first-come first-serve distribution system -- the program took off like wild fire -- with those qualifying being absolutely delighted, while others rushed to get their names on list for next year.

The numbers showed that 40 fishers received 210 totes in 2005. As of this writing, there are 41 fishers signed up for 173 totes in 2006 with many more expected to show interest once the program goes out for official advertising. To include as many fishers as possible in the program, a cap of \$1,000 per order was established. In addition, competitive pricing for bulk orders are being sought from suppliers, which will help stretch the program dollars even further. The early indication is that prices could go up as much as 50% by next season due to the rise in cost of the petroleum products used in the construction of the totes.

#### **Slush Bags**

The slush bag requests will be per registered vessel and fishers need to provide us with their fishhold measurements. In 2005, 23 fishers received 172 bags. At this point 24 fishers re requesting 115 slush bags for 2006. Given the activity of the program the past several years, demand has been slowing down with many BBEDC residents already having received slush bags in the past.

Applicants must be a BBEDC resident and an active owner of a registered vessel in order to qualify. An order is tailored to the individual circumstances, which means a drift fisher may receive ten or more bags for his vessel, while the set net fisher receives as little one in order to completely equip his smaller operation.

## **Fish Hold Insulation**

The fishhold insulating program has changed from previous years in that it is limited to \$5,300 per fisher. The responsibility of finding a qualified individual who can provide the service has been transferred to the fisher. And once the service is done, a completed contract accompanied by before-and-after-photos must be submitted to BBEDC for payment, which is remitted directly to the vendor.

## **Business Development Funds**

- Technical Assistance:
  - Egegik Tribal Council - under review
- Community Seed Funds activity since last meeting
  - City of Aleknagik - applied for \$100,000 for boat storage. Application is being reviewed in preparation for the board meeting.
- Infrastructure Matching Fund activity since last meeting
  - City of Aleknagik - applied for funds for boat storage. Application is being reviewed in preparation for the board meeting.

## **Community Liaison Program**

The following is a list of the liaisons and their communities:

<b>Community</b>	<b>Name</b>
Aleknagik	Julie Ilutsik
Clarks Point	Jessica Walker
Dillingham & Ekuk	Andrea Ruby
Egegik	Corrine Olson
Ekwok	Richard Stermer
King Salmon	Ralph Angasan
Levelock	Howard Nelson
Naknek	Chuck Johnson
Manokotak	Carla Moore
Pilot Point	John Kalmakoff Jr.
Portage Creek	Virginia Kapotak
Port Heiden	Bobbi Orloff
South Naknek	Karl Rawson
Togiak	Martha Kvamme
Twin Hills	Diane Abraham
Ugashik	Nancy Flensburg

## **Permit Brokerage**

During this quarter:

- Facilitated the permanent transfer of 1 permit to a regional resident.
- Facilitated the closing of 2 boat sales

- Completing transactions that were begun during the summer for permit leases.
- Communicated with processors to explore ways to assure that lease agreements find their way into the hands of the processor to assure that they are honored.
- Have 3 set-net permits listed for sale. Prices range from \$15,000 to \$17,500.
- Have 2 boats listed for sale. Prices range from \$18,000 to negotiable.
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- Initiated an information email to publicize items for sale and to remind fishers of important dates. I expect to piggy-back this on a regular email to Liaisons and their Supervisors.

### **Community Fish Processing Feasibility Studies**

The Lake & Pen Business Development Center on behalf of BBEDC researched and developed fish processing feasibility studies for six BBEDC communities. Two of the original eight communities opted to remove themselves due to separate feasibility studies underway. The completed BBEDC studies have been submitted for review to the communities. The next step is for Center staff to meet with each community and discuss the steps involved in the writing of a business plan.

### **Other Activity**

BBEDC staff spent a significant amount of time representing BBEDC and in assisting in the organization of the “Bristol Bay Economic Summit” held in late September in King Salmon.

### **Interest Rate Assistance Activity**

The interest rate assistance provides fishermen with help in paying off interest payments related to permit, gear and vessel loans. 2005 was the first full year of the program. Demand for the program is expected to increase during the upcoming year. The following is a third quarter summary of activity:

IRA total payment	\$44,902
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Total applicants	42
Approved	35
Denied	7
Pending	0

### **Tax Assistance**

No activity in the Tax Assistance Program.

### **Community Planning Grants**

Following is the status of the community planning grant activities in each community based on quarterly reports. Most communities renewed their activities this quarter.

Aleknagik - community survey & meetings in progress  
Dillingham - community survey & meetings in progress  
Egegik - preparing community plan draft  
Ekuk - retained consulting firm  
Ekwok - Completed  
King Salmon - completed community meeting & survey  
Levelock - awaiting grant agreement  
Manokotak - preparing draft  
Naknek - preparing final draft  
Pilot Point - executed grant agreement  
Port Heiden - executed grant agreement  
Portage Creek - executed grant agreement  
South Naknek - community survey & meetings in progress  
Togiak - community survey & meetings in progress  
Twin Hills - community survey & meetings in progress  
Ugashik - community survey & meetings in progress

## **Education Initiative**

### **Harvey Samuelsen Scholarship**

The Harvey Samuelsen Scholarship Trust awarded the largest award this past July for the 2005-2006 school year at an average of \$6600 per student. The awards totaled \$513,000 to 82 students from all four school districts in Bristol Bay. Recipients must be a BBEDC resident in order to qualify.

For the fall semester the actual disbursement was \$264,895 with the second award being made during the spring semester. Payments are sent directly to the university and not to the student. BBEDC staff monitors the students for their academic progress relative to the standards employed by the scholarship criteria.

### **Salmon Camp**

During the third quarter both sessions of the Bristol Bay Salmon Camp were held featuring 20 students. The middle school session was held on July 18-23<sup>rd</sup> and the high school session was held from July 23-28<sup>th</sup>. Students from Dillingham, Levelock, Pedro Bay, Egegik, Igiugig, Pedro Bay, Perryville, Aleknagik, and Chignik Lake attended. Separate sessions were held for middle school and high school students.

Students gave PowerPoint presentations to community members on what they learned at Salmon camp. The student's presentations were well attended by parents and community members and enjoyed by all.

Coordination efforts continued through partnerships held with the ADF&G, USFWS, University of Washington's Fisheries Research Institute, UAF Bristol Bay Campus,

BBAHC and SWRSD. These partnerships are among the greatest assets of our program. Through them we have been successful at providing a unique and challenging learning experience for Bristol Bay students.

The 2005 Bristol Bay Salmon Camp was a great success. Students participated in many different hands-on and classroom activities in limnology, fisheries research and management. Students experienced working alongside professional biologists and were able to interact with them on a personal level. They gained from these experiences not only knowledge, but an appreciation of Alaska coastal environments/watersheds and the management of these resources.

### **High School Higher Education Program**

The High School Higher Education Program was established to provide funding to high school students to take distance delivery college level courses at the Bristol Bay Campus. The program continues to be somewhat slow in taking off. However, more students are taking advantage of the program. In 2005, a total of 29 students participated for a total funding of \$4,178. BBEDC staff will continue to advertise the program.

## **2003-2005 Milestones**

### **Administration**

#### ***Objective - Maintain an effective management organization***

##### **Review corporate and personnel policies**

- 1) *Milestone* - Review corporate policies, articles and bylaws.

The policy committee reviewed several policy matters at the September 2005 meeting.

- 2) *Milestone* - Conduct board training.

Sexual harassment training was conducted during the May 2005 board meeting.

- 3) *Milestone* - Perform staff evaluations.

Several staff evaluations were administered during the 3<sup>rd</sup> quarter.

##### **Maintain an effective budget process**

- 4) *Milestone* - Allocate CDQ royalties in the following manner -- 50% to Capital Investment Fund -- 45% to operations, and 5% to Harvey Samuelsen Scholarship Trust.

CDQ Royalties are allocated 50/45/5 as payments come in throughout the year and are reconciled on a quarterly basis.

**This milestone was followed as applicable during the second quarter.**

*5) Milestone - Approve operating plan and budget.*

The 2006 budget will be approved at the annual meeting held in November 2005.

## **Community Outreach**

***Objective -- Maintain and improve outreach to BBEDC communities***

*6) Milestone -- Travel to communities to promote BBEDC programs.*

The staff made several community visits during the 3<sup>rd</sup> quarter 2005.

### **Provide BBEDC information to communities**

*7) Milestone - Maintain current information on community bulletin boards.*

Community liaisons are primarily relied upon to fulfill this function. BBEDC staff also distributes information during regular travel to CDQ communities.

*8) Milestone - Send out flyers, radio, and cable announcements to promote BBEDC programs.*

This is done on a regular basis by the employment and training, regional fishery, and other staff.

*9) Milestone - Distribute a quarterly newsletter to BBEDC households.*

The BBEDC Tide was mailed to CDQ box holders in August 2005.

*10) Milestone - Distribute an annual report to BBEDC households.*

The 2004 report will be mailed out in early November 2005.

*11) Milestone - Maintain an active BBEDC website.*

BBEDC sent a staff into Anchorage for specialized training for the purpose of doing future website updates in-house. A contractor is also being utilized for the more extensive changes.

## **Community Liaison Program**

*12) Milestone - Provide ongoing support and training to BBEDC community liaisons.*

Training sessions with the liaisons and supervisors were held in Dillingham and King Salmon in early March 2005.

## **Regional Fisheries Development**

### ***Objective - Enhance and expand regional fisheries opportunities in Bristol Bay***

(13) *Milestone* - Select initiatives annually for regional fisheries development.

Several new projects took place in 2005 including the pursuit of a regional icing coalition for Bristol Bay. Other efforts include expanding the Bristol Bay Wild Salmon quality assurance program and continuing marketing and selling activity conducted by the Bristol Bay Fish Company.

14) *Milestone* - Investigate market opportunities that promote regional brand identity.

BBEDC worked with three companies during the 2005 summer to sell and promote Bristol Bay salmon. A more detailed report will be later in the year.

15) *Milestone* - Develop quality standards for Bristol Bay salmon harvesters.

An extensive program took place in 2005 to educate fishermen about the handling practices required in the Bristol Bay Wild Salmon certification program. Approximately 70 fishermen took part in the program based out of Naknek in 2005.

16) *Milestone* - Explore value-added opportunities in-region.

Exploration activity took place regarding the further utilization of herring products.

## **Bristol Bay Fish Company**

### **Provide communities the opportunity to learn about operating a seafood company**

17) *Milestone* - Conduct BBFC as a learning environment for operating a seafood company.

A 2004 year-end report for BBFC was made available during the 1<sup>st</sup> quarter 2005. During this past summer, BBFC produced a significant amount of finished product for sale to retail and wholesales outlets in Alaska and elsewhere.

## **Ice Machine Support**

### ***Objective - Encourage community ownership of ice machines***

18) *Milestone* - Provide ice machines and support services in BBEDC



communities.

Staff is working to arrange meetings with Igushik and Ekuk representatives regarding cost estimates for operation and maintenance of ice machines.

## **4E Halibut Fishery**

***Objective - Manage 4E halibut fishery to maximize benefits to residents***

*19) Milestone - Manage 4E halibut fishery to provide benefits to resident fishermen.*

The entire 4E CDQ quota of 107,700 pounds was harvested by Bristol Bay halibut fishermen.

*20) Milestone - Hold workshops to promote good fishing practices and use of proper safety techniques.*

No workshops were held in 2005. However, workshops may be resumed in 2006.

## **Bristol Bay Permit Brokerage**

***Objective - Maintain resident ownership of Bristol Bay limited entry permits and provide support services to Bristol Bay fishermen***

*21) Milestone - Provide services to Bristol Bay fishermen in an effort to maintain local ownership of limited entry permits in CDQ and non-CDQ communities.*

The 2005 summer season saw another busy season for the brokerage staff. For more details please see the report in the non-confidential portion of the quarterly report.

*22) Milestone - BBEDC will fund an interest rate support program to help CDQ fishermen with fishery loan payments.*

At the start of the fourth quarter 35 of 42 applicants have been approved for interest rate assistance payments.

### **Work with residents to resolve tax and debt problems affecting permit ownership**

*23) Milestone - Interact with the IRS and financial institutions on behalf of permit holders.*

With salmon prices on an upswing in 2005, there has been increased interest in purchasing into the Bristol Bay salmon fishery, which generates interaction with the brokerage staff.

## **Community and Business Development Program**

***Objective - Promote in-region fishery infrastructure development and technical assistance***

24) *Milestone* - Provide \$1,000,000 for approved community infrastructure proposals.

A small award for the community of Pilot Point was approved during the May 2005 board meeting.

25) *Milestone* - Provide \$100,000 per BBEDC community in seed funds during CDP cycle.

Several Seed Fund projects have been approved during the three quarterly board meetings held in 2005.

26) *Milestone* - Monitor completion requirements for approved projects.

This activity occurs regularly throughout the year.

27) *Milestone* - Provide grant writing and business planning services to BBEDC communities and residents.

An application for technical assistance relating to a Fisheries Development Center in South Naknek was approved during the 2<sup>nd</sup> quarter.

## **Bristol Bay Science and Research Institute**

***Objective - Promote in-region scientific research and education programs***

28) *Milestone* - Maintain core funding of \$283,000 to the Institute.

Funding for fiscal year 2005 was provided to the institute as required.

29) *Milestone* - Increase research and management employment opportunities for Bristol Bay residents.

BBSRI successfully provided for several internships during the second quarter stationed in various locations throughout Bristol Bay.

30) *Milestone* - Conduct applied research to improve the management of area fisheries.

Several BBSRI projects designed to improve management of the area's salmon fisheries were active during the second and third quarters, including: the Port Moller Test fishery, the catch sampling project and the Nushagak sonar project.

### **Support fisheries research with grant funding**

31) *Milestone* - Secure external funds to support in-region fisheries research and monitoring.

The institute has successfully procured funding from a number of granting agencies. A significant amount of Congressional funding has also been secured.

### **Seafood Industry Investments**

***Objective - Manage Capital Investment Fund to provide revenues to BBEDC in perpetuity***

**Manage CIF to provide maximum return within established investment policy**

32) *Milestone* - Monitor marketable securities fund to insure adequate performance.

The quarterly reports from PRIME Asset Consulting measure the performance of all fund managers and were reviewed by the Financial Officer. Audited performance numbers are available on a quarter lag. As of June 30, 2005, the CIF Marketable Securities returned 1.6% for the trailing twelve-month period.

### **Seek seafood industry investment opportunities**

33) *Milestone* - Actively seek opportunities that meet CIF investment criteria of long-term averages of total return of 15%.

During the third quarter BBEDC conducted due diligence on several prospective Bering Sea investments.

34) *Milestone* - Obtain state and federal approval for all board approved investments.

One plan amendment was submitted to the state, which was approved during the 1<sup>st</sup> quarter 2005.

**Monitor seafood industry investments for performance and profitability**

35) *Milestone*- Attend subsidiary board and LLC management committee meetings.

Staff attended the Bristol Leader, Dona Martita and Arctic Fjord meetings during the 1<sup>st</sup> quarter 2005.

36) *Milestone*- Prepare quarterly and annual performance reports on investment

activities.

A report was provided to the BOD by the Seafood Investment Officer during the February 2005 meeting.

*37) Milestone-* Track investment profitability per CIF criteria of declared distributions of total initial investment of 7% (exclusive of a large offshore pollock investment after 2003).

The Seafood Investment Officer and Financial officer track all investment activity as described in the 2003-2005 CDP.

## **Marketing and Sales**

*Objective -- Review CDQ harvest partner marketing plans*

*38) Milestone* - Review and compare plans with ongoing sales results.

The plans are reviewed on a regular basis by the Seafood Investment Officer and Quota Manager.

*39) Milestone* - Research opportunities in marketing of CDQ and IFQ products.

BBEDC is actively exploring one opportunity that involves a business relationship.

## **CDQ Harvest and Management**

*Objective - Limit bycatch and manage CDQ's to maximize benefit to BBEDC*

**Provide oversight and management of all CDQ fishing**

*40) Milestone* - Review CDQ harvest partner fishing plans.

BBEDC staff traveled to Seattle during the first quarter and met with industry representatives to discuss the fishing plan activity for 2005. Throughout the year, the quota manager maintains frequent and regular contact with industry representatives via phone and email.

*41) Milestone* - Review operations with CDQ harvest partners.

The quota manager and seafood industry officer correspond regularly with BBEDC harvest partners on all operational activities. Senior staff at BBEDC attends various subsidiary board meetings each quarter.

42) *Milestone* - Work with CDQ groups on harvesting and management issues.

BBEDC's quota manager will continue to manage flatfish and pollock management pools for several CDQ groups in 2005.

## **CDQ Program Advocacy**

*Objective -- Advocate the policy interests of the CDQ program*

43) *Milestone* - Represent CDQ interests at the NPFMC, IPHC, and other CDQ related forums.

In October 2005, BBEDC's quota manager was sworn in as a new member on the NPFMC. A BBEDC board of director also serves on the Alaska Board of Fisheries.

## **Employment**

*Objective - - Provide employment for Bristol Bay residents and monitor career advancement*

**Provide employment opportunities with CDQ harvest partners**

44) *Milestone* - Place a total of 32 CDQ and non-CDQ residents with CDQ harvest pollock partner(s) each year.

A total of 24 residents were placed with pollock partners in the 3<sup>rd</sup> quarter 2005.

45) *Milestone* - Place 12 entry level hires with CDQ multi-species harvest partners.

Seven residents were placed with multi-species partners in the first three quarters 2005.

**Provide employment in advanced positions with CDQ harvest partners**

46) *Milestone* - Monitor career progression opportunities with CDQ harvest partners.

Two BBEDC residents became full share crew members with Kaldestad Fisheries in 2005. One individual was promoted to a lead position with U.S. Seafoods in 2005.

**Collaborate with regional and statewide entities**

47) *Milestone* - Work with Bristol Bay and statewide service providers to create employment and training opportunities in the region.

BBEDC Employment & Training staff meets periodically with BBNA Education and

Training staff and DOL staff to consider collaborative efforts for joint funding of students attending vocational and higher education programs.

## **Training**

***Objective -- Develop the human resource potential of Bristol Bay CDQ and non-CDQ residents through vocational training***

### **Provide Adult Basic Education and General Education Diploma training**

48) *Milestone* - Provide ABE training for a minimum of 150 residents.

Sixty seven residents of the Bristol Bay region have taken GED classes in 2005.

49) *Milestone* - Provide GED training for a minimum of 16 residents.

Eighty Bristol Bay residents took GED classes in the first three quarters with fourteen students earning their GED.

### **Provide basic vocational/technical training in-region**

50) *Milestone* - Provide basic vocational/technical training for a minimum of 60 residents.

BBEDC has provided basic vocational/training for a total of 130 residents in 2005.

51) *Milestone* - Provide training opportunities in BBEDC communities.

BBEDC has supported training in Dillingham, Togiak, King Salmon, Egegik, and Naknek in 2005.

### **Provide advanced vocational technical scholarships in approved programs**

52) *Milestone* - Provide advanced vocational/technical training for a minimum of 20 residents.

BBEDC provided thirty five (35) vocational scholarships in 2005. BBEDC has sponsored seventeen residents (17) in fishery related Voc/Tec classes in the first quarter.

## **Internships**

***Objective -- Provide internships in various settings in Bristol Bay and with CDQ harvest partners***

53) *Milestone*- Place a total of nine interns in the Bristol Bay region each year.

During the first three quarters, there were twenty three (23) interns in the BBEDC region.

54) *Milestone* - Place a total of five interns with CDQ harvest partners located outside of the Bristol Bay region.

During the first three quarters, there were three interns with CDQ harvest partners

### **Work readiness opportunities for youth interns**

55) *Milestone* - Collaborate with regional agencies and others to provide youth internships in Bristol Bay.

BBEDC had five youth interns in 2005.

## **Education Initiative**

*Objective -- Provide academic scholarship program and other education opportunities for CDQ community residents*

### **Manage Harvey Samuelsen Scholarship Trust to provide growth in perpetuity**

56) *Milestone* - Inflation-proof Trust over the proceeding five-year period.

The Trust's investments have returned 4.32% for the preceding five year period versus inflation of 2.8%.

57) *Milestone* - Review Trust investment policy each CDP cycle.

Revisions to the Trust's Investment Policies were approved during the March 2005 meeting.

58) *Milestone* - Award 3% of previous year's audited net assets in scholarships.

A total of 83 scholarships were awarded for fall disbursements of \$264,895.

59) *Milestone* - Monitor scholarship recipients for academic progress.

Regular contact has been maintained with our scholarship recipients via email, phone and in person. Students are required to submit transcripts at the conclusion of each term.

## **Student Loan Forgiveness Project**

*60) Milestone* - Implement and regularly monitor the project.

During 3<sup>rd</sup> quarter of 2005 we continued to advertise for this program. A total of \$1,636 in students loans were paid by BBEDC.

## **Career & College Development Fund**

*61) Milestone* - Place 10 residents in the program and monitor their progress.

During 3<sup>rd</sup> quarter 26 residents received awards for a total of \$17,520.

## **Salmon Camp support**

*62) Milestone* - Continue to develop the camp and its curriculum in an effort to promote fishery management and research career opportunities for Bristol Bay youth.

The third annual Salmon Camp was held during the first part of the 3<sup>rd</sup> Quarter.

*63) Milestone* -- Recruit camp participants from all Bristol Bay school districts.

Salmon Camp participants were recruited from all four of the school districts in Bristol Bay. The twenty participants came from Dillingham, Aleknagik, Iliamna, Perryville, Igiugig, Levelock, Pedro Bay and Chignik.

## **Grants**

### ***Objective -- Pursue grants to help fund BBEDC programs***

*64) Milestone* - Grant funds will support at least 10% of the total budget of non-profit projects in 2004.

In 2004, 16% of the total budget for non-profit projects was supported through grant funds.

*65) Milestone* - Grant funds will support at least 15% of the total budget of non-profit projects in 2005.

The requirements in this milestone have been satisfied in the third quarter with a percentage calculated at 23.7%.

*66) Milestone* - Administer and provide grant reporting as required.



The reports for the period ending September 30, 2005 are being prepared and filed as required.

## **B. Outreach**

Please see the quarterly highlights for more detail.

### **Employment Data 3<sup>rd</sup> Quarter July. 1<sup>st</sup> - September 30<sup>th</sup>**

	<u>Quarter</u>		<u>Year-To-Date</u>	
	People	Wages	People	Wages
Management/Admin	16	\$242,167	18	\$754,635
CDQ Pollock Related				
A SEASON	0	0	24	\$389,126
B SEASON	19	\$77,489	19	\$64,320
Other Fishing	4	\$20,148	92	\$408,829
Other Employment	15	\$46,959	24	\$120,343
Internships	24	\$98,117	33	\$151,286
Total of Rows	78	\$922,456	210	\$1,888,539
Unique Individual Total	78	\$922,456	199	\$1,888,539

## **Employment Summary**

### **Unique Individuals\***

Sixty-seven (67) unique individuals worked in BBEDC related jobs in the second quarter. The discrepancies are noted in the footnotes below.

### **Management and Administration**

Sixteen individuals filled sixteen positions with BBEDC in the 3rd quarter. All sixteen individuals worked throughout other quarters in 2005.

### **Pollock A Season**

No activity this quarter

### **B Season**

Nineteen Bristol Bay area residents were employed during the 3<sup>rd</sup> quarter B season. Eleven residents worked previously in the A season. The residents were from the following communities: Togiak, Manokotak, New Stuyahok, Dillingham, and Nondalton.

## **Other Fishing**

One resident from Manokotak worked with U.S. Seafoods during the 3<sup>rd</sup> quarter. Three residents from Koliganek, Togiak and Dillingham worked for Alaskan Leader however, only one received wages in the third quarter.

## **Other Employment**

Twelve residents from the Bristol Bay area communities of: Dillingham Egegik, Manokotak, South Naknek, Iliamna, and Newhalen worked at the new Icicle plant in Egegik as seafood processors, laborers, office administration and in security. Eleven the residents were employed during the first two quarters this year. Three residents from Togiak worked for Westward Seafoods in the third quarter.

## **Internships Summary**

Twenty Four Interns employed in the third quarter also worked in the first or second quarter of 2005.

### **Icicle Seafood's Office**

BBEDC had no interns with Icicle in the third quarter.

### **American Seafood's Office**

BBEDC had no interns with American Seafoods in the third quarter

### **In-Region Interns**

BBEDC had 14 interns in the region this quarter with: the City of Aleknagik, ADF&G Portage Creek Sonar Camp, USF&W, City of Dillingham, Port of Bristol Bay, Village of Pilot Point, Choggiung Limited, Levelock Village Council, Lake & Peninsula Borough, and Bristol Bay Permit Brokerage at BBEDC. .

A Fisheries Research /Admin. Assistant Internship in Naknek was completed in the fourth quarter 2004, but did not receive their final payment until 2005.

### **Youth Interns**

BBEDC had five other youth interns successfully complete their service with King Salmon Village Council, USF&W Visitors center in King Salmon, USF&W Fisheries research in Dillingham, and two with the City of Dillingham Library. The USF&W intern in Dillingham was hired as a seasonal employee.

## BBSRI Interns

BBSRI had five interns successfully complete their commitments in the third quarter 2005.

### Training Data

#### 3rd Quarter

July 1<sup>st</sup> - September 30<sup>th</sup>

	Quarter		Year-to-Date	
	People	Expenditure	People	Expenditure
<b>Scholarships</b>				
Post-secondary	138	\$286,593	214	\$537,441
Vocational	7	\$31,800	35	\$71,450
<b>Voc-Tech Classes</b>				
Advanced Vocational				
Basic Vocational	0	0	130	\$16,692
<b>Other Training</b>				
Fisheries Related	4	\$5,904	17	\$52,512
Student Loans				
CDQ Staff/Board	14	\$2,519	48	\$14,877
Other				
<b>Other Expenditures</b>				
To Educational Institutes				
Educational Endowment Funds				
Other	56	\$13,176	147	\$26,836
<b>Total</b>	<b>219</b>	<b>\$339,992</b>	<b>591</b>	<b>\$719,808</b>

## Scholarships

### College Development Fund

Twenty six residents from Dillingham, Aleknagik, King Salmon, Togiak and Naknek received College Development Fund Scholarships during the third quarter. One student received an award in the first quarter.

### Harvey Samuelson Scholarship Trust

The Harvey Samuelson Scholarship Trust distributed 83 scholarships to students from, Dillingham, Egegik, Ekwok, King Salmon, Manokotak, Port Heiden, Portage Creek, Levelock, Naknek, South Naknek, and Togiak.

## **High School Higher Education Scholarship**

The High School Higher Education Scholarship awarded 29 scholarships in the third quarter to students from: Dillingham, Aleknagik, Levelock, Igiugig, Pedro Bay, Perryville, and Chignik Lake.

## **Vocational Scholarships**

BBEDC awarded eleven vocational scholarships during the third quarter to residents of Naknek, Pilot Point, Dillingham, King Salmon and Manokotak who attended training in: Massage Therapy, Business and Office Administration, Automotive Technology, Facilities Maintenance, Culinary Arts and Heavy Equipment Operators training.

## **Vocational-Technical Classes**

### **Basic Voc/Tech**

No activity this quarter.

### **Advanced Voc/Tech**

No activity this quarter.

### **Fisheries Related**

One resident from King Salmon and two from Naknek attended a HACCP class. One Naknek resident attended an Able Body Seaman course.

### **Student Loans**

BBEDC currently does not have a student loan program.

### **CDQ Staff/Board**

Twelve (12) staff attended a Communications Training and a Project Management Training. One staff members attended an American Fisheries Society Seminar and one individual staff member took an Accounting Update Course this quarter.

### **Other Expenditures**

BBEDC supplements the funding of the ABE/GED program administered by UAF Bristol Bay Campus. Eighteen residents took ABE classes this quarter. Thirty Eight residents took GED classes. Residents were from the following Bristol Bay communities: Aleknagik, Chignik Bay, Dillingham, Iliamna, King Salmon, Kokhanok, Manokotak, New Stuyahok, Nondalton, Pilot Point, Togiak, and Twin Hills. The GED program featured thirteen (14) graduates this year from: Dillingham, King Salmon,

Kokhanok, and Togiak.

**E. Other Issues**

There were no other issues to report during the 3<sup>rd</sup> quarter.

**III. ADMINISTRATION**

**A. Board Activities**

**1. Change in Members**

There were no changes in the board during the 3rd quarter 2005. The committee assignments went unchanged.

**B. State of Alaska Reporting Compliance**

There are no issues pending.

<b>Number</b>	<b>2005 CDP Amendment Log Amendment Description</b>	<b>Date Received</b>	<b>Date Forwarded</b>	<b>Approval Received</b>
05-01BB	Transfer of YDFDAs 2005 CDQ BS opilio to BBEDC	01/19/2005	01/19/2005	01/20/2005
05-02BB	Transfer of BSAI Pollock and bycatch from CBSFA to BBEDC	01/24/2005	01/24/2005	01/26/2005
05-03BB	Transfer of BSAI Pollock and bycatch from CVRF to BBEDC	01/25/2005	01/25/2005	01/26/2005
05-04BB	Transfer of BSAI Pollock and bycatch from YDFDA to BBEDC	01/24/2005	01/24/2005	01/26/2005
05-05BB	Transfer of flatfish species and bycatch from CVRF to BBEDC	01/28/2005	01/28/2005	01/28/2005
05-06BB	Transfer of flatfish species and bycatch from YDFDA to BBEDC	01/28/2005	01/28/2005	01/28/2005
05-07BB	Transfer of flatfish species and bycatch from CBSFA to BBEDC	01/31/2005	01/31/2005	01/31/2005
05-08BB	Transfer of AI pollock from YDFDA to BBEDC	02/04/2005	02/04/2005	02/07/2005
05-09BB	Transfer of AI pollock from NSEDC to BBEDC	02/10/2005	02/10/2005	<b>02/11/2005</b>
05-10BB	Transfer of AI pollock from APICDA to BBEDC	02/16/2005	02/16/2005	<b>02/16/2005</b>
05-11BB	Substantial Amendment F/V Defender transaction	02/22/2005	02/24/2005	02/25/2005
05-12BB	Transfer of BS opilio crab from BBEDC to CVRF	02/18/2005	02/18/2005	<b>02/18/2005</b>
05-13BB	Transfer of BS other rockfish from YDFDA to BBEDC	03/17/2005	03/17/2005	03/17/2005
05-14BB	Transfer of CDQ from CVRF to BBEDC	03/17/2005	03/17/2005	w/drawn
05-15BB	Transfer of pollock from YDFDA to BBEDC	03/21/2005	03/21/2005	03/21/2005
05-16BB	Transfer of AI Pollock from BBEDC to APICDA			
05-17BB	Clarks Point Seed Funding Project	6/21/05	-----	Pending

## A. Target Fishery Harvest Activity

<b>Pollock Target Fishery Harvest Activity Third Quarter as of September 30, 2005</b>								
CDQ Reserve Category	Units	Allocation after transfers	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD Harvest	% of Target Harvest
A Season (40%)	mt	31,575.518	31,575.521				31,575.521	38.990%
B Season (60%)	mt	49,421.482		9,608.084	39,800.773		49,408.857	61.010%
BS Pollock Total	mt	80,997.000	31,575.521	9,608.084	39,800.773		80,984.378	100.000%
<b>Bycatch</b>								
Pacific Cod	mt	3,682.500	89.730	19.808	66.618		176.156	0.218%
BS FG Sablefish	mt	48.800					0.000	0.000%
AI FG Sablefish	mt	74.670					0.000	0.000%
BS Sablefish	mt	42.960	0.017				0.017	0.000%
AI Sablefish	mt	21.050					0.000	0.000%
WAI Atka Mackerel 543	mt	818.000					0.000	0.000%
CAI Atka Mackerel 542	mt	1,463.450					0.000	0.000%
EAI/BS Atka Mackerel 541	mt	297.350	0.006	0.031	0.072		0.109	0.000%
Yellowfin Sole	mt	4,170.240	1.272	0.430	0.467		2.169	0.003%
Rock Sole	mt	1,858.990	27.224	1.262	0.787		29.273	0.036%
BS Greenland Turbot	mt	84.090	0.405	0.084	0.801		1.290	0.002%
AI Greenland Turbot	mt	27.400					0.000	0.000%
Arrowtooth Flounder	mt	410.000	5.648	1.513	5.702		12.863	0.016%
Flathead Sole	mt	682.230	59.450	7.573	17.539		84.562	0.104%
Other Flatfish	mt	129.370	3.182	0.829	0.035		4.046	0.005%
Alaska Plaice	mt	299.700	0.217	0.159	0.044		0.420	0.001%
BS Pacific Ocean Perch	mt	51.070	0.676		0.078		0.754	0.001%
WAI POP 543	mt	204.150					0.000	0.000%
CAI POP 542	mt	119.200					0.000	0.000%
EAI POP 541	mt	120.650					0.000	0.000%
BS Other Rockfish	mt	10.950	1.811	0.020			1.831	0.002%
AI Other Rockfish	mt	14.720					0.000	0.000%
Other Species	mt	0.000	18.859	8.031	18.601		45.491	0.056%
<b>PSQ Reserve Category</b>								
Zone 1 Red King Crab	ea	7,117.000					0.000	0.000
Zone 1 Bairdi Tanner Crab	ea	38,050.000		8.810			8.810	0.000
Zone 2 Bairdi Tanner Crab	ea	116,843.000	13.779	0.094	2.878		16.751	0.000
Opilio Tanner Crab	ea	183,532.000					0.000	0.000
Pacific Halibut (mortality)	mt	138.640	1.336	0.094	2.587		4.017	0.000
Chinook Salmon	ea	1,161.000	891.464	59.949	101.862		1,053.275	0.013
Non-Chinook Salmon	ea	1,682.000					0.000	0.000

**Pacific Cod Target Fishery Harvest Activity**  
**Third Quarter as of September 30, 2005**

CDQ Reserve Category	Units	Allocation after transfers	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD Harvest	% of Target Harvest
A Season (60%)	mt	2,209.500	1,743.889				1,743.889	62.970%
B Season (40%)	mt	1,473.000			1,025.494		1,025.494	37.030%
Pacific Cod Total	mt	3,682.500	1,743.889		1,025.494		2,769.383	100.000%
<b>Bycatch</b>								
Non Pollock Quota	mt	N/A	6.190		9.945		16.135	0.583%
BS FG Sablefish	mt	48.800					0.000	0.000%
AI FG Sablefish	mt	74.670					0.000	0.000%
BS Sablefish	mt	42.960					0.000	0.000%
AI Sablefish	mt	21.050					0.000	0.000%
WAI Atka Mackerel 543	mt	818.000					0.000	0.000%
CAI Atka Mackerel 542	mt	1,463.450					0.000	0.000%
EAI/BS Atka Mackerel 541	mt	297.350			0.023		0.023	0.001%
Yellowfin Sole	mt	4,170.240			6.588		6.588	0.238%
Rock Sole	mt	1,858.990	0.070		0.540		0.610	0.022%
BS Greenland Turbot	mt	84.090	0.092		1.083		1.175	0.042%
AI Greenland Turbot	mt	27.400					0.000	0.000%
Arrowtooth Flounder	mt	410.000	2.000		12.540		14.540	0.525%
Flathead Sole	mt	682.230	0.978		9.026		10.004	0.361%
Other Flatfish	mt	129.370	0.119		0.016		0.135	0.005%
Alaska Plaice	mt	299.700			0.009		0.009	0.000%
BS Pacific Ocean Perch	mt	51.070	0.002				0.002	0.000%
WAI Pacific Ocean Perch 543	mt	204.150					0.000	0.000%
CAI Pacific Ocean Perch 542	mt	119.200					0.000	0.000%
EAI Pacific Ocean Perch 541	mt	120.650					0.000	0.000%
BS Other Rockfish	mt	10.950	0.153		0.374		0.527	0.019%
AI Other Rockfish	mt	14.720					0.000	0.000%
Other Species	mt	0.000	55.071		243.230		298.301	10.771%
<b>PSQ Reserve Category</b>								
Zone 1 Red King Crab	ea	7,117.000					0.000	0.000
Zone 1 Bairdi Tanner Crab	ea	38,050.000					0.000	0.000
Zone 2 Bairdi Tanner Crab	ea	116,843.000					0.000	0.000
Opilio Tanner Crab	ea	183,532.000					0.000	0.000
Pacific Halibut (mortality)	mt	138.640	2.425		6.505		8.930	0.003
Chinook Salmon	ea	1,161.000					0.000	0.000
Non-Chinook Salmon	ea	1,682.000					0.000	0.000



<b>Atka Mackerel / Pacific Ocean Perch Target Fisheries Harvest Activity</b>								
<b>Third Quarter as of September 30, 2005</b>								
CDQ Reserve Category	Units	Allocation after transfers	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD Harvest	% of Target Harvest
WAI Atka Mackerel 543	mt	818.000					0.000	0.0%
CAI Atka Mackerel 542	mt	1,463.450			811.899		811.899	81.3%
EAI/BS Atka Mackerel 541	mt	297.350			187.159		187.159	18.7%
Atka Mackerel Total	mt	2,578.800			999.058		999.058	100.0%
<b>Bycatch</b>								
Non Pollock Quota	mt	N/A			28.860		28.860	2.9%
Pacific Cod	mt	3,682.500			140.714		140.714	14.1%
BS Sablefish	mt	42.960			2.262		2.262	0.2%
Rock Sole	mt	1,858.990			19.551		19.551	2.0%
BS Greenland Turbot	mt	84.090			0.545		0.545	0.1%
Arrowtooth Flounder	mt	410.000			46.600		46.600	4.7%
Flathead Sole	mt	682.230			4.335		4.335	0.4%
Other Flatfish	mt	129.370			2.992		2.992	0.3%
BS Pacific Ocean Perch	mt	51.070			4.187		4.187	0.4%
CAI Pacific Ocean Perch 542	mt	119.200			49.212		49.212	4.9%
EAI Pacific Ocean Perch 541	mt	120.650			89.276		89.276	8.9%
BS Other Rockfish	mt	10.950			0.883		0.883	0.1%
AI Other Rockfish	mt	14.720			1.009		1.009	0.1%
Other Species	mt	0.000			12.355		12.355	1.2%
<b>PSQ Reserve Category</b>								
Pacific Halibut (mortality)	mt	138.640			11.080		11.080	0.011

<b>Flathead Sole Target Fisheries Harvest Activity</b>								
<b>Third Quarter as of September 30, 2005</b>								
CDQ Reserve Category	Units	Allocation after transfers	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD Harvest	% of Target Harvest
Flathead Sole	mt	682.230			203.108		203.108	100.0%
<b>Bycatch</b>								
Non Pollock Quota	mt	N/A			136.552		136.552	67.2%
Pacific Cod	mt	3,682.500			17.595		17.595	8.7%
Rock Sole	mt	1,858.990			1.018		1.018	0.5%
BS Greenland Turbot	mt	84.090			6.113		6.113	3.0%
Arrowtooth Flounder	mt	410.000			67.026		67.026	33.0%
Other Species	mt	0.000			3.141		3.141	1.5%
<b>PSQ Reserve Category</b>								
Pacific Halibut (mortality)	mt	138.640			0.123		0.000	0.0%

## MS-CDQ Account Status Report, Third Quarter as of September 30, 2005

CDQ Reserve Category		Alloc Amount	In	Out	Allocation after transfers	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	MTs Harvest	Percent Harvested	Remaining	Remaining
BS Pollock	mt	31,447.500	49,559.500	10.000	80,997.000	31,575.521	9,608.084	39,800.773		80,984.378	99.984%	12.622	0.02%
Pacific Cod	mt	3,244.500	438.000		3,682.500	1,833.619	49.029	1,250.421		3,133.069	85.08%	549.431	14.92%
BS FG Sablefish	mt	48.800	0.000		48.800	9.811	37.689	0.000		47.500	97.34%	1.300	2.66%
AI FG Sablefish	mt	74.670	0.000		74.670	0.000	6.978	0.000		6.978	9.35%	67.692	90.65%
BS Sablefish	mt	20.240	22.720		42.960	0.017	0.000	2.262		2.279	5.30%	40.681	94.70%
AI Sablefish	mt	9.800	11.250		21.050	0.000	0.000	0.000		0.000	0.00%	21.050	100.00%
WAI Atka Mackerel 543	mt	225.000	593.000		818.000	0.000	0.000	0.000		0.000	0.00%	818.000	100.00%
CAI Atka Mackerel 542	mt	399.450	1,064.000		1,463.450	0.000	0.000	811.899		811.899	55.48%	651.551	44.52%
EAI/BS Atka Mackerel 541	mt	84.450	212.900		297.350	0.006	0.031	187.254		187.291	62.99%	110.059	37.01%
Yellowfin Sole	mt	1,632.240	2,538.000		4,170.240	1.272	2,915.442	7.055		2,923.769	70.11%	1,246.471	29.89%
Rock Sole	mt	715.990	1,143.000		1,858.990	27.294	1,465.250	21.896		1,514.440	81.47%	344.550	18.53%
BS Greenland Turbot	mt	40.600	43.490		84.090	1.025	0.122	2.429		3.576	4.25%	80.514	95.75%
AI Greenland Turbot	mt	11.400	16.000		27.400	0.000	0.056	0.000		0.056	0.20%	27.344	99.80%
Arrowtooth Flounder	mt	198.000	212.000		410.000	8.732	6.233	64.842		79.807	19.47%	330.193	80.53%
Flathead Sole	mt	307.230	375.000		682.230	60.428	7.898	30.900		99.226	14.54%	583.004	85.46%
Other Flatfish	mt	63.120	66.250		129.370	3.301	41.655	3.043		47.999	37.10%	81.371	62.90%
Alaska Plaice	mt	126.000	173.700		299.700	0.217	0.159	0.053		0.429	0.14%	299.271	99.86%
BS Pacific Ocean Perch	mt	22.050	29.020		51.070	0.678	0.018	4.265		4.961	9.71%	46.109	90.29%
WAI Pacific Ocean Perch 543	mt	57.150	147.000		204.150	0.000	0.000	0.000		0.000	0.00%	204.150	100.00%
CAI Pacific Ocean Perch 542	mt	34.200	85.000		119.200	0.000	0.000	49.212		49.212	41.29%	69.988	58.71%
EAI Pacific Ocean Perch 541	mt	34.650	86.000		120.650	0.000	0.000	89.276		89.276	74.00%	31.374	26.00%
BS Other Rockfish	mt	6.650	4.300		10.950	1.977	0.133	1.257		3.367	30.75%	7.583	69.25%
AI Other Rockfish	mt	7.920	6.800		14.720	0.000	0.761	1.009		1.770	12.02%	12.950	87.98%
Other Species	mt					73.930	61.066	274.186		409.182			
<b>PSQ Reserve Category</b>													
Zone 1 Red King Crab	ea	3,103.000	4,014.000		7,117.000	0.000	0.000	0.000		0.000	0.00%	7,117.000	100.00%
Zone 1 Bairdi Tanner Crab	ea	17,640.000	20,410.000		38,050.000	0.000	8.810	0.000		8.810	0.02%	38,041.190	99.98%
Zone 2 Bairdi Tanner Crab	ea	51,233.000	65,610.000		116,843.000	13.779	0.094	2.878		16.751	0.01%	116,826.249	99.99%
Opilio Tanner Crab	ea	87,462.000	96,070.000		183,532.000	0.000	0.000	0.000		0.000	0.00%	183,532.000	100.00%
Pacific Halibut (mortality)	mt	75.240	63.400		138.640	3.761	22.121	20.295		46.177	33.31%	92.463	66.69%
Chinook Salmon	ea	457.000	704.000		1,161.000	891.464	59.949	101.862		1,053.275	90.72%	107.725	9.28%
Non-Chinook Salmon	ea	662.000	1020.000		1,682.000	0.000	0.000	0.000		0.000	0.00%	1,682.000	100.00%

## Pollock Pool Fishery Harvest by Group, Third Quarter as of September 30, 2005

CDQ Reserve Category	Units	BBEDC	Transferred In				Trans	Total After Transfers	CDQ Catch by Group					
			CBFA	CVRF	NSEDC	YDFDA	Out		BBEDC	CBSFA	CVRF	NSEDC	YDFDA	Total
BS Pollock	mt	31,447.500	7,487.500	35,940.000	1,100.000	5,022.000	10.000	80,987.000	31,442.599	7,486.333	35,934.399	1,099.829	5,021.217	80,984.378
Pacific Cod	mt	3,244.500	34.000	162.000	3.000	23.000	0.000	3,466.500	68.720	16.454	78.399	1.452	11.131	176.156
BS Sablefish	mt	20.240	0.190	0.900		0.130	0.000	21.460	0.006	0.002	0.008		0.001	0.017
AI Sablefish	mt	9.800					0.000	9.800						
WAI Atka Mack543	mt	225.000					0.000	225.000						
CAI Atka Mack 542	mt	399.450					0.000	399.450						
EAI/BS Atka Mack 541	mt	84.450	0.300	1.400		0.200	0.000	86.350	0.042	0.011	0.049	0.000	0.007	0.109
Yellowfin Sole	mt	1,632.240	6.000	29.000		4.000	0.000	1,671.240	0.868	0.200	0.968	0.000	0.133	2.169
Rock Sole	mt	715.990	20.000	95.000		13.000	0.000	843.990	11.515	2.775	13.180	0.000	1.804	29.273
BS Greenland Turbot	mt	40.600	0.410	1.810		0.270	0.000	43.090	0.487	0.132	0.584	0.000	0.087	1.290
AI Greenland Turbot	mt	11.4					0.000	11.400						
Arrowtooth Flounder	mt	198.000	4.000	20.000		3.000	0.000	225.000	4.970	1.169	5.847	0.000	0.877	12.863
Flathead Sole	mt	307.230	13.000	63.000		9.000	0.000	392.230	33.221	7.852	38.053	0.000	5.436	84.562
Other Flatfish	mt	63.120	2.400	11.250		1.600	0.000	78.370	1.602	0.385	1.803	0.000	0.256	4.046
Alaska Plaice	mt	126.000	0.300	1.400		0.200	0.000	127.900	0.163	0.041	0.190	0.000	0.027	0.420
BS POP	mt	22.050	0.190	0.900		0.130	0.000	23.270	0.299	0.071	0.336	0.000	0.049	0.754
WAI POP 543	mt	57.150					0.000	57.150						
CAI POP 542	mt	34.200					0.000	34.200						
EAI POP 541	mt	34.650					0.000	34.650						
BS Other Rockfish	mt	6.650	0.190	0.900		0.260	0.000	8.000	0.993	0.118	0.559	0.000	0.161	1.831
AI Other Rockfish	mt	7.920					0.000	7.920						
<b>PSQ Reserve Category</b>														
Zone 1 Red King Crab	ea	3,103.000	47.000	225.000		32.000	0.000	3,407.000						
Zone 1 Bairdi Crab	ea	17,640.000	310.000	1,490.000		210.000	0.000	19,650.000	3.460	0.825	3.966	0.000	0.559	8.810
Zone 2 Bairdi Crab	ea	51,233.000	400.000	1,940.000		270.000	0.000	53,843.000	6.607	1.555	7.540	0.000	1.049	16.751
Opilio Tanner Crab	ea	87,462.000	940.000	4,500.000		630.000	0.000	93,532.000						
Pacific Halibut	mt	75.240	1.200	5.400		0.800	0.000	82.640	1.580	0.395	1.778	0.000	0.263	4.017
Chinook Salmon	ea	457.000	109.000	522.000		73.000	0.000	1,161.000	414.597	98.886	473.566	0.000	66.227	1,053.275
Non-Chinook Salmon	ea	662.000	158.000	756.000		106.000	0.000	1,682.000						

### Flatfish Pool Fishery Harvest by Group, Third Quarter as of September 30, 2005

CDQ Reserve Category	Units	BBEDC	Transferred In			Transferred	Total	CDQ Catch by Group				
		Initial Alloc	CBSFA	CVRF	YDFDA	Out	After Transfers	BBEDC	CBSFA	CVRF	YDFDA	Total
Pacific Cod	mt	3,244.500	46.000	55.000	115.000	0.000	3,450.500	68.557	25.432	30.408	63.581	187.979
BS Sablefish	mt	20.240	3.500	4.500	13.500	0.000	41.740	0.938	0.215	0.277	0.831	2.262
AI Sablefish	mt	9.800	1.500	3.750	6.000	0.000	21.050	0.000	0.000	0.000	0.000	0.000
WAI Atka Mackerel 543	mt	225.000	118.000	215.000	260.000	0.000	818.000	0.000	0.000	0.000	0.000	0.000
CAI Atka Mackerel 542	mt	399.450	212.000	390.000	462.000	0.000	1,463.450	221.205	117.695	216.514	256.486	811.899
EAI/BS Atka Mackerel 541	mt	84.450	42.000	75.000	94.000	0.000	295.450	52.125	26.879	47.998	60.157	187.159
Yellowfin Sole	mt	1,632.240	523.000	276.000	1,700.000	0.000	4,131.240	1,137.843	371.932	196.278	1,208.958	2,915.012
Rock Sole	mt	715.990	185.000	215.000	580.000	0.000	1,695.990	571.270	172.406	200.364	540.517	1,484.557
BS Greenland Turbot	mt	40.600	4.000	19.000	18.000	0.000	81.600	2.093	0.445	2.115	2.004	6.658
AI Greenland Turbot	mt	11.400	2.000	8.000	6.000	0.000	27.400	0.000	0.000	0.000	0.000	0.000
Arrowtooth Flounder	mt	198.000	30.000	15.000	140.000	0.000	383.000	49.186	10.540	5.270	49.186	114.182
Flathead Sole	mt	307.230	70.000	15.000	195.000	0.000	587.230	89.043	29.681	6.360	82.683	207.768
Other Flatfish	mt	63.120	11.000	1.250	40.000	0.000	115.370	20.527	5.018	0.000	18.246	43.791
Alaska Plaice	mt	126.000	10.000	100.000	60.000	0.000	296.000	0.000	0.000	0.000	0.000	0.000
BS Pacific Ocean Perch	mt	22.050	3.500	13.800	10.500	0.000	49.850	1.627	0.325	1.280	0.974	4.205
WAI POP 543	mt	57.150	30.000	55.000	62.000	0.000	204.150	0.000	0.000	0.000	0.000	0.000
CAI POP 542	mt	34.200	18.000	30.000	37.000	0.000	119.200	13.972	7.463	12.438	15.340	49.212
EAI POP 541	mt	34.650	18.000	32.000	36.000	0.000	120.650	25.108	13.431	23.877	26.861	89.276
BS Other Rockfish	mt	6.650	0.500	1.200	1.250	0.000	9.600	0.224	0.112	0.268	0.279	0.883
AI Other Rockfish	mt	7.920	2.000	0.800	4.000	0.000	14.720	0.473	0.158	0.063	0.315	1.009
Other Species	mt					0.000	0.000					68.090
<b>PSQ Reserve Category</b>												
Zone 1 Red King Crab	ea	3,103.000	750.000	960.000	1,600.000	0.000	6,413.000	0.000	0.000	0.000	0.000	0.000
Zone 1 Bairdi Tanner Crab	ea	17,640.000	3,000.000	2,400.000	12,000.000	0.000	35,040.000	0.000	0.000	0.000	0.000	0.000
Zone 2 Bairdi Tanner Crab	ea	51,233.000	13,000.000	16,000.000	40,000.000	0.000	120,233.000	0.000	0.000	0.000	0.000	0.000
Opilio Tanner Crab	ea	87,462.000	15,000.000	20,000.000	45,000.000	0.000	167,462.000	0.000	0.000	0.000	0.000	0.000
Pacific Halibut (mortality)	mt	75.240	10.000	6.000	40.000	0.000	131.240	13.978	3.438	2.063	13.751	33.230

#### Pollock Harvesting Activity:

##### 1) Summary of harvesting activities by target fishery:

American Seafoods harvested roughly 39,800 MTs of Pollock for five CDQ groups during the third quarter. All but 12 MTs of the 80,997 MTs of Pollock under management by BBEDC was harvested in 2005.

Bycatch was minimal.

**Pacific Cod Harvesting Activity:**

**1) Summary of harvesting activities by target fishery:**

Prior to the start of the open access B Season, the Alaskan Leader and Bristol Leader harvested 1,025 MTs of Pacific Cod. The remainder of the quota will be harvested after the open access season closes.

**2) Summary of bycatch:**

Bycatch of “Other Species” increased relative to the first quarter. However, overall bycatch was minimal.

**Atka Mackerel/POP Harvesting Activity:**

**1) Summary of harvesting activities by target fishery:**

United States Seafoods caught 812 MTs of CDQ Atka Mackerel in Area 542 and 187 MTs in Area 541. In addition 89 MTs of POP was harvested in Area 542 and 49 MTs in Area 541.

**2) Summary of bycatch:**

Pacific cod and Greenland Turbot were the main bycatch species.

**Flathead sole Harvesting Activity:**

**1) Summary of harvesting activities by target fishery:**

US Seafoods harvested 207 MTs of Flathead sole in the third quarter.

**2) Summary of bycatch:**

Pollock and Arrowtooth Flounder were the main bycatch species.

## **B. Processing Report**

### **Pollock Processing Activities**

The Pollock that was harvested on the six American Seafoods vessels was made into various product forms.

### **Pacific Cod Processing Activities**

The Pacific Cod processed on the Bristol Leader and Alaskan Leader was made into both collarbone on and collarbone off product forms.

### **Atka Mackerel/POP Processing Activities**

The Atka Mackerel and POP that was harvested by US Seafoods' vessels was processed into H&G product forms.

### **Flathead sole Processing Report Activities**

The Atka Mackerel and POP that was harvested by US Seafoods' vessels was processed into H&G product forms.

## **C. Compliance/Enforcement Issues**

There were no compliance and enforcement issues reported this quarter.

## **D. Other Fishing Issues/Activities**

No Other Fishing Issues/Activities to report.